Citizens' Utility Ratepayer Board

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SENATE UTILITIES COMMITTEE H.B. 2487

Testimony on Behalf of the Citizens' Utility Ratepayer Board By David Springe, Consumer Counsel March 12, 2014

Chairman Apple and members of the committee:

Thank you for this opportunity to offer testimony on H.B. 2487. The Citizens' Utility Ratepayer Board (CURB) supports this bill and urges the Committee to pass H.B. 2487.

H.B. 2487 amends K.S.A. 2013 Supp. 66-131 to allow the state corporation commission up to 300 days to issue an order on a public utility's application for a certificate of public convenience and necessity in a merger or acquisition. The statute as written can be construed to require a certificate order on a merger or acquisition within 180 days. Mergers and acquisition proceedings often raise difficult factual and legal questions about the transaction itself, the utilities in question, and the benefits or risks to utility customers. CURB believes that Kansas utility customers are served best when the state corporation commission endeavors to find the right answer to any application, rather than simply finding the quick answer due to a statutory deadline that has no relation to the transaction in question.

CURB supports the language allowing the state corporation commission up to 300 days to issue a certificate of public convenience and necessity in applications for mergers and acquisitions.